



Ernst & Young Inc.
Ernst & Young Tower
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Calgary, AB T2P 5E9
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0726028 B.C. LTD. (o/a Sorrento Inn)
NOTICE AND STATEMENT OF RECEIVER
(Subsections 245(1) and 246(1) of the Act)

In the Matter of the Court Appointed Receivership of the Property of
0726028 B.C. Ltd. (the "Company")

1. Please be advised that on Wednesday, June 30, 2010 Ernst & Young Inc. was re-appointed as Court Appointed Receiver (the "Receiver") in respect of the property of the Company, insolvent person, that is described below:

	Estimated Net Book Value As at October 8, 2009
Cash	\$25,586
Intercompany receivable	unknown
Property (Note 1)	\$3,000,000
Total	<u>\$3,025,586</u>

Note 1 – Purchase price as per the books and records of the Company was used as an estimate of net book value, the Receiver is continuing to determine the potential market value.

2. Ernst & Young Inc. originally became Receiver in respect of the property described above pursuant to an Order of the Court of Queen's Bench of Alberta (the "Court") dated October 8, 2009 (the "Original Receivership Order")

Pursuant to an Order of the Court entered on March 2, 2010 (the "March 2nd Order"), Ernst & Young Inc. was discharged as Receiver as under the Original Receivership Order, however was appointed as receiver with specified powers to, *inter alia*, receive notice of and to defend in any realization proceedings taken by any creditor related to the Lands, as defined in the March 2nd Order. It was specifically noted in the March 2nd Order that the receiver shall not enter into possession, management or control of the Lands.

Lastly, Ernst & Young Inc. was re-appointed as Court-Appointed Receiver of the property as described above pursuant to an Order of the Court dated June 30, 2010.

3. The Receiver took possession and control of the property described above on June 30, 2010.
4. The following information relates to the receivership:

- a) Principal address of the Company: c/o Ernst & Young Inc.
1000, 440 -- 2nd Avenue S.W.
Calgary, AB T2P 5E9
- b) Principal line of business: Hotel / Inn



c) Location of the business :

1277 Trans Canada Highway
Sorrento, BC
VOE 2W0

d) Estimated amounts owed by the Company is as follows (Note 2)

<u>Name</u>	<u>Claim Amount</u>
Secured creditors (Note 3)	\$11,024,901
Statutory/Preferred creditors	Unknown
Unsecured creditors (Note 3)	\$18,226
Total	<u>\$11,043,126</u>

Note 2 – Amounts due to creditors as estimated in the original Notice and Statement of Receiver dated October 19, 2009.

Note 3 – Due to the large number of creditors of the Shire Group, the Receiver obtained an Order of the Court of Queen's Bench of Alberta (the "245 Notice Order") to post the detailed listing of amounts owing to each creditor, as statutorily required by the Bankruptcy and Insolvency Act, on the Receiver's website at www.ey.com/ca/shire. A copy of the 245 Notice Order is also available on this website.

The Receiver will mail a copy of the Notice and Statement of Receiver, including the detailed listing of the name and amount owing to each creditor, upon a written request from a creditor.

e) The intended action plan of the Receiver is to monetize the property.

f) The Receiver contact is:

Ernst & Young Inc.
1000 Ernst & Young Tower
440 - 2nd Avenue SW
Calgary, AB T2P 5E9

Attention: Mr. Dustin Olver
Telephone: (403) 206-5203
Facsimile: (403) 206-5075

Dated at Calgary, Alberta this 22nd day of July, 2010

ERNST & YOUNG INC.
Court Appointed Receiver of 0726028 B.C. Ltd.

Deryck Helkaa, CA•CIRP
Senior Vice President